

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA
DANVILLE DIVISION**

**WILLIE BETTS, CRYSTAL BOYD,
CHRISTINA CHADWICK, LARRY
FAULKNER, ALKEISHA J. LEA,
PAMELA M. MARABLE, KIRK
MORRIS, SHEINA ROBINSON,
KATRINA D. STANFIELD, BRIAN M.
TUCKER, and TAMIKA KING
WILLIAMS,**

Plaintiffs,

v.

**McDONALD'S CORPORATION,
McDONALD'S USA, LLC, SOWEVA CO.,
4040 HALIFAX ROAD LLC, 1010
PHILPOTT ROAD LLC, 200 VIRGINIA
AVENUE LLC, and MICHAEL SIMON,**

Defendants.

Civil Action No. 4:15cv00002

**DEFENDANT MCDONALD'S USA LLC'S ANSWER
AND AFFIRMATIVE DEFENSES TO PLAINTIFFS' AMENDED COMPLAINT**

Pursuant to Rules 8 and 12 of the Federal Rules of Civil Procedure, Defendant McDonald's USA, LLC (hereinafter "McDonald's USA"), by counsel, hereby submits the following Answer and Affirmative Defenses to Plaintiffs' Amended Complaint:

INTRODUCTION

1. McDonald's USA admits that McDonald's is the brand name of a chain of quick service restaurants, the majority of which are owned and operated by franchisees. McDonald's USA denies that "McDonald's Corporate" appropriately or accurately refers to "the chain's

corporate parents.”¹ McDonald’s USA denies the remaining allegations contained in Paragraph 1 of the Amended Complaint.

2. McDonald’s USA denies the allegations contained in Paragraph 2 of the Amended Complaint.

3. McDonald’s USA denies that the independently owned and operated restaurants in South Boston and Clarksville, Virginia are operated by Defendant Soveva Co. (hereinafter “Soveva”). McDonald’s USA denies that “Soveva” as defined in Paragraph 3 appropriately or accurately describes or refers to “Soveva Co. and related corporate entities.” McDonald’s USA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 3, and therefore denies those allegations.

4. McDonald’s USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 4 of the Amended Complaint, and therefore denies those allegations.

5. McDonald’s USA denies the allegations contained in the first sentence of Paragraph 5 of the Amended Complaint. McDonald’s USA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 5 of the Amended Complaint, and therefore denies those allegations.

6. McDonald’s USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 6 of the Amended Complaint, and therefore denies those allegations.

7. McDonald’s USA denies the allegations contained in Paragraph 7 of the Amended Complaint.

¹ McDonald’s USA also generally denies that “McDonald’s Corporate,” referenced throughout Plaintiffs’ Amended Complaint, appropriately or accurately describes McDonald’s USA.

8. The allegations contained in Paragraph 8 of the Amended Complaint constitute assertions of Plaintiffs' litigation aspirations to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations against McDonald's USA contained in Paragraph 8, and expressly denies that it subjected Plaintiffs to discrimination or harassment of any kind.

JURISDICTION AND VENUE

9. The allegations contained in Paragraph 9 of the Amended Complaint constitute conclusions of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations contained in Paragraph 9.

10. The allegations contained in Paragraph 10 of the Amended Complaint constitute conclusions of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations contained in Paragraph 10.

11. The allegations contained in Paragraph 11 of the Amended Complaint constitute conclusions of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations contained in Paragraph 11.

12. The allegations contained in Paragraph 12 of the Amended Complaint constitute conclusions of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations contained in Paragraph 12.

PARTIES

13. McDonald's USA admits the allegations contained in the first sentence of Paragraph 13 of the Amended Complaint. McDonald's USA further admits that over 35,000 restaurants are operated under the McDonald's brand, some of which span the 50 states, including Virginia. McDonald's USA admits that McDonald's Corporation is an "employer"

under Title VII of the Civil Rights Act of 1964 (“Title VII”) and 42 U.S.C. § 1981 (“§ 1981”), but denies that it was the employer of any Plaintiffs in this case. McDonald’s USA denies the remaining allegations contained in Paragraph 13 of the Amended Complaint.

14. McDonald’s USA admits that subsidiaries of McDonald’s USA and franchisees separately operate more than 14,000 restaurants throughout the United States, approximately 90% of which – over 12,000 – are franchised. McDonald’s USA admits that it is an “employer” under Title VII and § 1981, but denies that it was the employer of any Plaintiffs in this case. McDonald’s USA denies the remaining allegations contained in Paragraph 14 of the Amended Complaint.

15. McDonald’s USA denies that “McDonald’s Corporate” appropriately or accurately refers to McDonald’s Corporation and/or McDonald’s USA. McDonald’s USA denies any remaining allegations contained in Paragraph 15 of the Amended Complaint.

16. McDonald’s USA admits the allegations contained in the first sentence of Paragraph 16 of the Amended Complaint. The last sentence of Paragraph 16 constitutes a legal conclusion to which no response is required. To the extent a response is deemed required, McDonald’s USA denies that allegation.

17. McDonald’s USA admits the allegations contained in the first two sentences of Paragraph 17 of the Amended Complaint. The last sentence of Paragraph 17 constitutes a legal conclusion to which no response is required. To the extent a response is deemed required, McDonald’s USA denies that allegation.

18. McDonald’s USA admits that 4040 Halifax Road LLC is a Virginia limited liability company whose registered office is 4021 Halifax Road, South Boston, VA 24592, and that Michael Simon is the registered agent. The last sentence of Paragraph 18 constitutes a

conclusion of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies that allegation. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 18 of the Amended Complaint, and therefore denies those allegations.

19. McDonald's USA admits that 1010 Philpott Road LLC is a Virginia limited liability company whose registered office is 4021 Halifax Road, South Boston, VA 24592, and that Michael Simon is the registered agent. The last sentence of Paragraph 19 constitutes a conclusion of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies that allegation. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 19 of the Amended Complaint, and therefore denies those allegations.

20. McDonald's USA admits that 200 Virginia Ave LLC is a Virginia limited liability company whose registered office is 4021 Halifax Road, South Boston, VA 24592, and that Michael Simon is the registered agent. The last sentence of Paragraph 19 constitutes a conclusion of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies that allegation. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 19 of the Amended Complaint, and therefore denies those allegations.

21. McDonald's USA admits the allegations contained in the first sentence of Paragraph 21 of the Amended Complaint. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations in the second, third, fourth and fifth sentences of Paragraph 21, and therefore denies those allegations. With regard to the allegations contained in the last sentence of Paragraph 21, McDonald's USA denies that "Sowevea"

appropriately or accurately refers to 4040 Halifax Road LLC, 110 Philpott Road LLC, and/or 200 Virginia Avenue LLC. McDonald's USA denies the remaining allegations contained in Paragraph 21 of the Amended Complaint.

22. McDonald's USA denies the allegations contained in Paragraph 22 of the Amended Complaint.

23. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 23 of the Amended Complaint, and therefore denies those allegations.

24. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 24 of the Amended Complaint, and therefore denies those allegations.

25. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 25 of the Amended Complaint, and therefore denies those allegations.

26. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 26 of the Amended Complaint, and therefore denies those allegations.

27. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 27 of the Amended Complaint, and therefore denies those allegations.

28. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 28 of the Amended Complaint, and therefore denies those allegations.

29. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 29 of the Amended Complaint, and therefore denies those allegations.

30. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 30 of the Amended Complaint, and therefore denies those allegations.

31. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 31 of the Amended Complaint, and therefore denies those allegations.

32. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 32 of the Amended Complaint, and therefore denies those allegations.

33. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 33 of the Amended Complaint, and therefore denies those allegations.

34. McDonald's USA admits that there are approximately 15,500 restaurants operated under the McDonald's brand in the United States and Canada. McDonald's USA admits that approximately 90% of the restaurants in the United States are owned and operated by independent franchisees. McDonald's USA denies the remaining allegations in Paragraph 34.

35. McDonald's USA admits that it enters into a franchise agreement for each franchise restaurant, which sets forth the terms of the franchise relationship, but denies that McDonald's Corporation requires franchisees to sign franchise agreements. McDonald's USA denies that McDonald's Corporation and/or McDonald's USA entered into a franchise agreement

with Soveva. McDonald's USA denies "Franchise Agreement" as defined in the Amended Complaint appropriately or accurately refers to any alleged agreement into which McDonald's USA or McDonald's Corporation has entered with Soveva.

36. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 36 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 36 purport to paraphrase or characterize the contents of such agreements, McDonald's USA denies those allegations.

37. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 37 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 37 purport to paraphrase or characterize the contents of any such agreement, McDonald's USA denies those allegations.

38. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 38 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 38 purport to paraphrase or characterize the contents of such agreements, McDonald's USA denies those allegations.

39. McDonald's USA denies the allegations contained in Paragraph 39 of the Amended Complaint.

40. McDonald's USA admits that Franchised Revenues, as that term is used in McDonald's Corporation's 2014 Annual Report, in the United States totaled \$4.339 billion in 2013.

41. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 41 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 41 purport to paraphrase or characterize the contents of any such agreement, McDonald's USA denies those allegations. McDonald's USA denies any remaining allegations contained in Paragraph 41 of the Amended Complaint.

42. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 42 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 42 purport to paraphrase or characterize the contents of any such agreement, McDonald's USA denies the remaining allegations contained in Paragraph 42 of the Amended Complaint.

43. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 43 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 43 purport to paraphrase or characterize the contents of such

agreements, McDonald's USA denies those allegations. McDonald's USA denies the remaining allegations in Paragraph 43 of the Amended Complaint.

44. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 44 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 44 purport to paraphrase or characterize the contents of such agreements, McDonald's USA denies those allegations.

45. McDonald's USA denies the allegations contained in Paragraph 45 of the Amended Complaint.

46. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 46 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 46 purport to paraphrase or characterize the contents of such agreements, McDonald's USA denies those allegations.

47. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 47 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 47 purport to paraphrase or characterize the contents of such agreements, McDonald's USA denies those allegations.

48. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 48 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 48 purport to paraphrase or characterize the contents of such agreements, McDonald's USA denies those allegations.

49. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 49 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 49 purport to paraphrase or characterize the contents of such agreements, McDonald's USA denies those allegations.

50. McDonald's USA denies the allegations contained in Paragraph 50 of the Amended Complaint.

51. McDonald's USA denies that Soveva was a party to the "Franchise Agreement" as defined in the Amended Complaint, and therefore denies the allegations contained in Paragraph 51 of the Amended Complaint. McDonald's USA further states that any agreements between itself and/or McDonald's Corporation and any Defendant speak for themselves. To the extent the allegations in Paragraph 51 purport to paraphrase or characterize the contents of any such agreement, McDonald's USA denies those allegations.

52. McDonald's USA denies the allegations contained in Paragraph 52 of the Amended Complaint.

53. McDonald's USA denies the allegations contained in Paragraph 53 of the Amended Complaint.

54. McDonald's USA denies the allegations contained in Paragraph 54 of the Amended Complaint.

55. McDonald's USA admits that at certain times during the alleged limitations period, it made a QSC Playbook available to independent franchisees. McDonald's USA further states that the QSC Playbook speaks for itself. To the extent the allegations in Paragraph 55 purport to paraphrase or characterize the contents of a QSC Playbook, McDonald's USA denies those allegations. McDonald's USA denies the remaining allegations contained in Paragraph 55 of the Amended Complaint.

56. McDonald's USA admits that it makes an O&T Manual available to independent franchisees. McDonald's USA further states that any O&T Manual speaks for itself. To the extent the allegations in Paragraph 56 purport to paraphrase or characterize the contents of any O&T Manual, McDonald's USA denies those allegations. McDonald's USA denies the remaining allegations contained in Paragraph 56 of the Amended Complaint.

57. McDonald's USA states that any O&T Manual speaks for itself. To the extent the allegations in Paragraph 57 purport to paraphrase or characterize the contents of any O&T Manual, McDonald's USA denies those allegations.

58. McDonald's USA states that any O&T Manual speaks for itself. To the extent the allegations in Paragraph 58 purport to paraphrase or characterize the contents of any O&T Manual, McDonald's USA denies those allegations.

59. McDonald's USA states that any O&T Manual speaks for itself. To the extent the allegations in Paragraph 59 purport to paraphrase or characterize the contents of any O&T Manual, McDonald's USA denies those allegations.

60. McDonald's USA states that any O&T Manual speaks for itself. To the extent the allegations in Paragraph 60 purport to paraphrase or characterize the contents of any O&T Manual, McDonald's USA denies those allegations.

61. McDonald's USA admits that it makes an optional "Our Policies" manual available to independent franchisees. McDonald's USA further states that any "Our Policies" manual speaks for itself. To the extent the allegations in Paragraph 61 purport to paraphrase or characterize the contents of any "Our Policies" manual, McDonald's USA denies those allegations.

62. The allegations contained in Paragraph 62 of the Amended Complaint refer to an optional "Our Policies" manual, which speaks for itself. To the extent the allegations in Paragraph 62 purport to paraphrase or characterize the contents of an "Our Policies" manual, McDonald's USA denies those allegations.

63. McDonald's USA denies the allegations in Paragraph 63 as to itself and McDonald's Corporation. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 63 of the Amended Complaint, and therefore denies those allegations.

64. The allegations contained in Paragraph 64 of the Amended Complaint refer to the O&T Manual and the "Our Policies" manual, which speak for themselves. To the extent the allegations in Paragraph 64 purport to paraphrase or characterize the contents of the O&T

Manual and/or the “Our Policies” manual, McDonald’s USA denies those allegations. McDonald’s USA denies the remaining allegations in Paragraph 64 of the Amended Complaint.

65. McDonald’s USA denies the allegations contained in Paragraph 65 of the Amended Complaint.

66. McDonald’s USA admits that it employs Business Consultants who consult with independent franchisees. McDonald’s USA denies the remaining allegations contained in Paragraph 66 of the Amended Complaint.

67. McDonald’s USA admits that it employs Business Consultants who consult with independent franchisees regarding each of their restaurant(s). McDonald’s USA denies the remaining allegations contained in Paragraph 67 of the Amended Complaint.

68. McDonald’s USA denies the allegations contained in the first sentence of Paragraph 68 of the Amended Complaint. The allegations in the second sentence Paragraph 68 refer to a QSC Playbook, which speaks for itself. To the extent the allegations in Paragraph 68 purport to paraphrase or characterize the contents of a QSC Playbook, McDonald’s USA denies those allegations. McDonald’s USA denies any remaining allegations in Paragraph 68 of the Amended Complaint.

69. McDonald’s USA admits that at certain times during the alleged limitations period, its Business Consultants conducted Full Operations Reviews and Short Operations Reviews at restaurants operated by independent franchisees. McDonald’s USA denies the remaining allegations contained in Paragraph 69 of the Amended Complaint.

70. McDonald’s USA admits that during Full Operations Reviews and Short Operations Reviews, its Business Consultants evaluated certain aspects of the performance of the franchise restaurants, as well as provided independent franchisees with consulting services.

McDonald's USA denies the remaining allegations contained in Paragraph 70 of the Amended Complaint.

71. The allegations contained in Paragraph 71 of the Amended Complaint refer to a QSC Playbook, which speaks for itself. To the extent the allegations in Paragraph 71 purport to paraphrase or characterize the contents of a QSC Playbook, McDonald's USA denies those allegations. McDonald's USA denies any remaining allegations in Paragraph 71 of the Amended Complaint.

72. The allegations contained in Paragraph 72 of the Amended Complaint refer to a QSC Playbook, which speaks for itself. To the extent the allegations in Paragraph 72 purport to paraphrase or characterize the contents of a QSC Playbook, McDonald's USA denies those allegations. McDonald's USA denies any remaining allegations in Paragraph 72 of the Amended Complaint.

73. McDonald's USA admits that its Business Consultants evaluate certain aspects of the performance of the franchise restaurants, as well as provide independent franchisees with consulting services. McDonald's USA denies the remaining allegations contained in Paragraph 73 of the Amended Complaint, including subparts (a) through (i).

74. McDonald's USA denies the allegations contained in Paragraph 74 of the Amended Complaint.

75. McDonald's USA denies the allegations contained in Paragraph 75 of the Amended Complaint.

76. McDonald's USA denies the allegations contained in Paragraph 76 of the Amended Complaint.

77. McDonald's USA denies the allegations contained in Paragraph 77 of the Amended Complaint.

78. McDonald's USA lacks knowledge and information sufficient to form a belief as to the truth of the vague allegations contained in Paragraph 78 of the Amended Complaint because the "applicable time period" is not defined, and therefore denies these allegations. McDonald's USA denies any remaining allegations in Paragraph 78 of the Amended Complaint.

79. McDonald's USA lacks knowledge and information sufficient to form a belief as to the truth of the allegations contained in Paragraph 79 of the Amended Complaint, and therefore denies these allegations.

80. McDonald's USA admits that franchise restaurants are required to use the ISP software for certain limited purposes, but denies that they are required to use it for other purposes. McDonald's USA denies the remaining allegations contained in Paragraph 80 of the Amended Complaint.

81. McDonald's USA denies the allegations contained in Paragraph 81 of the Amended Complaint.

82. McDonald's USA denies the allegations contained in Paragraph 82 of the Amended Complaint.

83. McDonald's USA denies the allegations contained in Paragraph 83 of the Amended Complaint.

84. McDonald's USA denies the allegations contained in Paragraph 84 of the Amended Complaint.

85. McDonald's USA admits that the ISP software can generate a Daily Activity Report that contains certain information, including total hours worked, total transactions, product

net, number of drive thru transactions, number of window transactions, transactions per man hour, and labor percentage. McDonald's USA denies the remaining allegations contained in Paragraph 85 of the Amended Complaint.

86. McDonald's USA admits that if an independent franchisee subscribes and requests specific reports, McDonald's USA has access to the reports with the independent franchisee's consent. McDonald's USA denies the remaining allegations contained in Paragraph 86 of the Amended Complaint.

87. McDonald's USA admits that independent franchisees are required to attend Hamburger University training, which is operated by McDonald's USA. McDonald's USA denies the remaining allegations contained in Paragraph 87 of the Amended Complaint.

88. McDonald's USA denies the allegations contained in Paragraph 88 of the Amended Complaint.

89. McDonald's USA admits that each franchise restaurant must have at least one General Manager who has completed training at Hamburger University. McDonald's USA denies the remaining allegations contained in Paragraph 89 of the Amended Complaint.

90. McDonald's USA denies the allegations contained in Paragraph 90 of the Amended Complaint.

91. McDonald's USA denies the allegations contained in Paragraph 91 of the Amended Complaint.

92. McDonald's USA denies the allegations contained in Paragraph 92 of the Amended Complaint.

93. McDonald's USA denies the allegations contained in Paragraph 93 of the Amended Complaint.

94. McDonald's USA denies the allegations contained in Paragraph 94 of the Amended Complaint.

95. McDonald's USA denies the allegations contained in Paragraph 95 of the Amended Complaint.

96. McDonald's USA denies the allegations contained in Paragraph 96 of the Amended Complaint.

97. McDonald's USA denies the allegations contained in Paragraph 97 of the Amended Complaint.

98. McDonald's USA denies the allegations contained in Paragraph 98 of the Amended Complaint.

99. McDonald's USA denies the allegations contained in Paragraph 99 of the Amended Complaint.

100. McDonald's USA denies the allegations contained in Paragraph 100 of the Amended Complaint.

101. McDonald's USA denies the allegations contained in Paragraph 101 of the Amended Complaint.

102. McDonald's USA denies the allegations contained in Paragraph 102 of the Amended Complaint.

103. McDonald's USA denies the allegations contained in Paragraph 103 of the Amended Complaint.

104. McDonald's USA admits the existence of a website, located at <http://www.mcvirginia.com>, which contains information about McDonald's restaurants and

sometimes lists job opportunities and events in Virginia. McDonald's USA denies the remaining allegations contained in Paragraph 104 of the Amended Complaint.

105. McDonald's USA admits that managers and hourly employee candidates can apply to work at McDonald's restaurants through a website located at <http://www.mcvirginia.com>. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegation regarding the number of job openings in January 2015, and therefore denies those allegations. McDonald's USA denies the remaining allegations contained in Paragraph 105 of the Amended Complaint.

106. McDonald's USA admits that job applicants who apply for job positions through the website located at <http://www.mcvirginia.com> are invited to complete an electronic employment application. McDonald's USA denies the remaining allegations contained in Paragraph 106 of the Amended Complaint.

107. McDonald's USA denies the allegations contained in Paragraph 107 of the Amended Complaint.

108. McDonald's USA denies the allegations contained in Paragraph 108 of the Amended Complaint.

109. McDonald's USA denies the allegations contained in Paragraph 109 of the Amended Complaint.

110. McDonald's USA denies the allegations contained in Paragraph 110 of the Amended Complaint.

111. McDonald's USA denies the allegations contained in Paragraph 111 of the Amended Complaint.

112. McDonald's USA denies the allegations contained in Paragraph 112 of the Amended Complaint.

113. McDonald's USA denies the allegations contained in Paragraph 113 of the Amended Complaint.

114. McDonald's USA denies the allegations contained in Paragraph 114 of the Amended Complaint.

115. McDonald's USA denies the allegations contained in Paragraph 115 of the Amended Complaint.

116. McDonald's USA denies the allegations contained in Paragraph 116 of the Amended Complaint.

117. McDonald's USA denies the allegations contained in Paragraph 117 of the Amended Complaint.

118. McDonald's USA denies the allegations contained in Paragraph 118 of the Amended Complaint.

FACTS

119. McDonald's USA denies the allegations contained in Paragraph 119 of the Amended Complaint.

120. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 120 of the Amended Complaint, and therefore denies the allegations.

121. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 121 of the Amended Complaint, and therefore denies the allegations.

122. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 122 of the Amended Complaint, and therefore denies the allegations.

123. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 123 of the Amended Complaint, and therefore denies the allegations.

124. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 124 of the Amended Complaint, and therefore denies the allegations.

125. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 125 of the Amended Complaint, and therefore denies the allegations.

126. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 126 of the Amended Complaint, and therefore denies the allegations.

127. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 127 of the Amended Complaint, and therefore denies the allegations.

128. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 128 of the Amended Complaint, and therefore denies the allegations.

129. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 129 of the Amended Complaint, and therefore denies the allegations.

130. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 130 of the Amended Complaint, and therefore denies the allegations.

131. McDonald's USA denies the allegations contained in the first sentence of Paragraph 131 of the Amended Complaint. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 131, and therefore denies those allegations.

132. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 132 of the Amended Complaint, and therefore denies the allegations.

133. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 133 of the Amended Complaint, and therefore denies the allegations.

134. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 134 of the Amended Complaint, and therefore denies the allegations.

135. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 135 of the Amended Complaint, and therefore denies the allegations.

136. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 136 of the Amended Complaint, and therefore denies the allegations.

137. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 137 of the Amended Complaint, and therefore denies the allegations.

138. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 138 of the Amended Complaint, and therefore denies the allegations.

139. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 139 of the Amended Complaint, and therefore denies the allegations.

140. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 140 of the Amended Complaint, and therefore denies the allegations.

141. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 141 of the Amended Complaint, and therefore denies the allegations.

142. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 142 of the Amended Complaint, and therefore denies the allegations.

143. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 143 of the Amended Complaint, and therefore denies the allegations.

144. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 144 of the Amended Complaint, and therefore denies the allegations.

145. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 145 of the Amended Complaint, and therefore denies the allegations.

146. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 146 of the Amended Complaint, and therefore denies the allegations.

147. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 147 of the Amended Complaint, and therefore denies the allegations.

148. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 148 of the Amended Complaint, and therefore denies the allegations.

149. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 149 of the Amended Complaint, and therefore denies the allegations.

150. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 150 of the Amended Complaint, and therefore denies the allegations.

151. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 151 of the Amended Complaint, and therefore denies the allegations.

152. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 152 of the Amended Complaint, and therefore denies the allegations.

153. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 153 of the Amended Complaint, and therefore denies the allegations.

154. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 154 of the Amended Complaint, and therefore denies the allegations.

155. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 155 of the Amended Complaint, and therefore denies the allegations.

156. McDonald's USA denies that Soveva became the franchise operator for the Centerville, Riverdale, and Clarksville McDonald's restaurants. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 156 of the Amended Complaint, and therefore denies the allegations.

157. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 157 of the Amended Complaint, and therefore denies the allegations.

158. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 158 of the Amended Complaint, and therefore denies the allegations.

159. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 159 of the Amended Complaint, and therefore denies the allegations.

160. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 160 of the Amended Complaint, and therefore denies the allegations.

161. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 161 of the Amended Complaint, and therefore denies the allegations.

162. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 162 of the Amended Complaint, and therefore denies the allegations.

163. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 163 of the Amended Complaint, and therefore denies the allegations.

164. McDonald's USA states that none of the Plaintiffs were employees of McDonald's USA or McDonald's Corporation. McDonald's USA further states that neither it

nor McDonald's Corporation was aware of the terminations, and did not independently investigate why employees of the Centerville, Riverdale, or Clarksville McDonald's franchised restaurants were selected for termination at the time they were terminated in or around May 2014. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations contained in Paragraph 164 of the Amended Complaint, and therefore denies the allegations.

165. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 165 of the Amended Complaint, and therefore denies the allegations.

166. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 166 of the Amended Complaint, and therefore denies the allegations.

167. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 167 of the Amended Complaint, and therefore denies the allegations.

168. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 168 of the Amended Complaint, and therefore denies the allegations.

169. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 169 of the Amended Complaint, and therefore denies the allegations.

170. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 170 of the Amended Complaint, and therefore denies the allegations.

171. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 171 of the Amended Complaint, and therefore denies the allegations.

172. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 172 of the Amended Complaint, and therefore denies the allegations.

173. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 173 of the Amended Complaint, and therefore denies the allegations.

174. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 174 of the Amended Complaint, and therefore denies the allegations.

175. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 175 of the Amended Complaint, and therefore denies the allegations.

176. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 176 of the Amended Complaint, and therefore denies the allegations.

177. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 177 of the Amended Complaint, and therefore denies the allegations.

178. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 178 of the Amended Complaint, and therefore denies the allegations.

179. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 179 of the Amended Complaint, and therefore denies the allegations.

180. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 180 of the Amended Complaint, and therefore denies the allegations.

181. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 181 of the Amended Complaint, and therefore denies the allegations.

182. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 182 of the Amended Complaint, and therefore denies the allegations.

183. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 183 of the Amended Complaint, and therefore denies the allegations.

184. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 184 of the Amended Complaint, and therefore denies the allegations.

185. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 185 of the Amended Complaint, and therefore denies the allegations.

186. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 186 of the Amended Complaint, and therefore denies the allegations.

187. McDonald's USA denies the allegations contained in Paragraph 187 of the Amended Complaint.

188. McDonald's USA admits that Plaintiff Betts called McDonald's USA on May 12, 2014 regarding his termination but made no complaints of race discrimination. McDonald's USA states that it provided Plaintiff Betts with the contact information for his employer, independent franchisee Michael Simon. McDonald's USA denies the remaining allegations contained in Paragraph 188 of the Amended Complaint.

189. McDonald's USA denies the allegations contained in Paragraph 189 of the Amended Complaint.

190. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in the first sentence of Paragraph 190 of the Amended Complaint, and therefore denies the allegations. McDonald's USA admits the existence of a May 15, 2014 article in the *South Boston News & Record* entitled "Not Lovin' It" regarding

allegations about the terminations that occurred on May 12, 2014. McDonald's USA denies any remaining allegations contained in Paragraph 190 of the Amended Complaint.

191. McDonald's USA admits that it learned about the May 12, 2014 terminations of employees of the independent franchisee after they occurred. McDonald's USA denies the remaining allegations contained in Paragraph 191 of the Amended Complaint.

192. McDonald's USA denies the allegations contained in Paragraph 192 of the Amended Complaint.

193. McDonald's USA states that the individuals involved in the May 12, 2014 terminations were neither its employees nor employees of McDonald's Corporation; therefore, there was no action for McDonald's USA or McDonald's Corporation to take with regard to the May 12, 2014 terminations. McDonald's USA denies the remaining allegations contained in Paragraph 193 of the Amended Complaint.

194. McDonald's USA admits that Plaintiffs Betts, Boyd, Chadwick, Lea, Marable, Morris, Robinson, Stanfield, Tucker, and King Williams have filed charges of discrimination with the EEOC. The remaining allegations contained in Paragraph 194 of the Amended Complaint refer to the EEOC charges, which speak for themselves. To the extent the allegations in Paragraph 194 purport to paraphrase or characterize the contents of the EEOC charges, McDonald's USA denies those allegations. McDonald's USA denies any remaining allegations contained in Paragraph 194 of the Amended Complaint.

195. The allegations contained in Paragraph 195 of the Amended Complaint refer to the right-to-sue notices attached as an exhibit to the Amended Complaint, which speak for themselves. To the extent the allegations in Paragraph 195 purport to paraphrase or characterize

the contents of the right-to-sue notices, McDonald's USA denies those allegations. McDonald's USA denies any remaining allegations contained in Paragraph 195 of the Amended Complaint.

FIRST CAUSE OF ACTION
(41 U.S.C. § 1981 – May 12, 2014 Terminations)

196. McDonald's USA restates its responses to the allegations contained in Paragraphs 1 through 195 of the Amended Complaint as if fully set forth herein.

197. The allegations contained in Paragraph 197 of the Amended Complaint constitute assertions of Plaintiffs' litigation aspirations to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations contained in Paragraph 197, and expressly denies that it is liable to Plaintiffs pursuant to 42 U.S.C. § 1981.

198. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 198 of the Amended Complaint, and therefore denies the allegations.

199. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 199 of the Amended Complaint, and therefore denies the allegations.

200. McDonald's USA denies the allegations contained in Paragraph 200 of the Amended Complaint.

201. McDonald's USA denies the allegations contained in Paragraph 201 of the Amended Complaint.

202. McDonald's USA denies the allegations contained in Paragraph 202 of the Amended Complaint.

SECOND CAUSE OF ACTION
(41 U.S.C. § 1981 – Constructive Discharge)

203. McDonald's USA restates its responses to the allegations contained in Paragraphs 1 through 202 of the Amended Complaint as if fully set forth herein.

204. The allegations contained in Paragraph 204 of the Amended Complaint constitute assertions of Plaintiffs' litigation aspirations to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations contained in Paragraph 204, and expressly denies that it is liable to Plaintiffs pursuant to 42 U.S.C. § 1981.

205. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 205 of the Amended Complaint, and therefore denies the allegations.

206. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 206 of the Amended Complaint, and therefore denies the allegations.

207. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 207 of the Amended Complaint, and therefore denies the allegations.

208. McDonald's USA denies the allegations contained in Paragraph 208 of the Amended Complaint.

209. McDonald's USA denies the allegations contained in Paragraph 209 of the Amended Complaint.

210. McDonald's USA denies the allegations contained in Paragraph 210 of the Amended Complaint.

THIRD CAUSE OF ACTION
(42 U.S.C. § 1981 Claim – Racial Harassment)

211. McDonald's USA restates its responses to the allegations contained in Paragraphs 1 through 210 of the Amended Complaint as if fully set forth herein.

212. The allegations contained in Paragraph 212 of the Amended Complaint constitute assertions of Plaintiffs' litigation aspirations to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations contained in Paragraph 212, and expressly denies that it is liable to Plaintiffs pursuant to 42 U.S.C. § 1981.

213. McDonald's USA denies the allegations contained in Paragraph 213 of the Amended Complaint.

214. McDonald's USA denies the allegations contained in Paragraph 214 of the Amended Complaint.

215. McDonald's USA denies the allegations contained in Paragraph 215 of the Amended Complaint.

FOURTH CAUSE OF ACTION
(Title VII Claim – May 12, 2014 Terminations)

216. McDonald's USA restates its responses to the allegations contained in Paragraphs 1 through 215 of the Amended Complaint as if fully set forth herein.

217. The allegations contained in Paragraph 217 of the Amended Complaint constitute assertions of Plaintiffs' litigation aspirations to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations contained in Paragraph 217, and expressly denies that it is liable to Plaintiffs pursuant to Title VII.

218. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 218 of the Amended Complaint, and therefore denies the allegations.

219. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 219 of the Amended Complaint, and therefore denies the allegations.

220. McDonald's USA denies the allegations contained in Paragraph 220 of the Amended Complaint.

221. The allegations contained in Paragraph 221 of the Amended Complaint constitute conclusions of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations in Paragraph 221.

222. McDonald's USA denies the allegations contained in Paragraph 222 of the Amended Complaint.

223. McDonald's USA denies the allegations contained in Paragraph 223 of the Amended Complaint.

FIFTH CAUSE OF ACTION
(Title VII Claim – Constructive Discharge)

224. McDonald's USA restates its responses to the allegations contained in Paragraphs 1 through 223 of the Amended Complaint as if fully set forth herein.

225. The allegations contained in Paragraph 225 of the Amended Complaint constitute assertions of Plaintiffs' litigation aspirations to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations contained in Paragraph 225, and expressly denies that it is liable to Plaintiffs pursuant to Title VII.

226. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 226 of the Amended Complaint, and therefore denies the allegations.

227. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 227 of the Amended Complaint, and therefore denies the allegations.

228. McDonald's USA lacks knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraph 228 of the Amended Complaint, and therefore denies the allegations.

229. McDonald's USA denies the allegations contained in Paragraph 229 of the Amended Complaint.

230. The allegations contained in Paragraph 230 of the Amended Complaint constitute conclusions of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations in Paragraph 230.

231. McDonald's USA denies the allegations contained in Paragraph 231 of the Amended Complaint.

232. McDonald's USA denies the allegations contained in Paragraph 232 of the Amended Complaint.

SIXTH CAUSE OF ACTION
(Title VII Claim – Racial Harassment)

233. McDonald's USA restates its responses to the allegations contained in Paragraphs 1 through 232 of the Amended Complaint as if fully set forth herein.

234. The allegations contained in Paragraph 234 of the Amended Complaint constitute assertions of Plaintiffs' litigation aspirations to which no response is required. To the extent a

response is deemed required, McDonald's USA denies the allegations contained in Paragraph 234, and expressly denies that it is liable to Plaintiffs pursuant to Title VII.

235. McDonald's USA denies the allegations contained in Paragraph 235 of the Amended Complaint.

236. The allegations contained in Paragraph 236 of the Amended Complaint constitute conclusions of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations in Paragraph 236.

237. McDonald's USA denies the allegations contained in Paragraph 237 of the Amended Complaint.

238. McDonald's USA denies the allegations contained in Paragraph 238 of the Amended Complaint.

SEVENTH CAUSE OF ACTION
(Title VII Claim – Sexual Harassment)

239. McDonald's USA restates its responses to the allegations contained in Paragraphs 1 through 238 of the Amended Complaint as if fully set forth herein.

240. The allegations contained in Paragraph 240 of the Amended Complaint constitute assertions of Plaintiffs' litigation aspirations to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations contained in Paragraph 240, and expressly denies that it is liable to Plaintiffs pursuant to Title VII.

241. McDonald's USA denies the allegations contained in Paragraph 241 of the Amended Complaint.

242. The allegations contained in Paragraph 242 of the Amended Complaint constitute conclusions of law to which no response is required. To the extent a response is deemed required, McDonald's USA denies the allegations in Paragraph 242.

243. McDonald's USA denies the allegations contained in Paragraph 243 of the Amended Complaint.

244. McDonald's USA denies the allegations contained in Paragraph 244 of the Amended Complaint.

The "Prayer for Relief" following Paragraph 244 of the Amended Complaint contains only assertions of Plaintiffs' demands for relief, to which no response is required. To the extent a response is deemed required, McDonald's USA denies it is liable to Plaintiffs under any theory or in any amount and denies that Plaintiff is entitled to any relief whatsoever, including the relief claimed in subparts (1) through (7) of the "Prayer for Relief." McDonald's USA denies any remaining allegations in the "Prayer for Relief."

McDonald's USA denies any and all allegations contained in Plaintiffs' Complaint that are not expressly admitted herein.

AFFIRMATIVE DEFENSES AND OTHER DEFENSES

Without assuming any burden of proof that it would not otherwise bear, McDonald's USA asserts the following defenses:

1. Plaintiffs' Amended Complaint fails to state a claim against McDonald's USA because McDonald's USA was not their employer.
2. Plaintiffs' claims are barred against any Defendant that does not meet the definition of "employer" under § 1981 or Title VII.
3. Plaintiffs' Title VII claims are barred, in whole or in part, to the extent Plaintiffs have failed to properly and/or timely exhaust their administrative remedies.

4. Plaintiffs' Title VII claims are barred, in whole or in part, to the extent they arise out of conduct which occurred more than three hundred (300) days prior to the filing of an administrative charge.

5. Plaintiffs' Title VII claims are barred, in whole or in part, to the extent they exceed the scope of or are inconsistent with the charges of discrimination Plaintiffs filed with the U.S. Equal Employment Opportunity Commission and/or the Virginia Human Rights Council.

7. Plaintiffs' claims are barred, in whole or in part, by applicable statutes of limitations or other periods of limitation.

8. Plaintiffs' claims are barred, in whole or in part, based upon the equitable doctrine of unclean hands to the extent Plaintiffs violated their employer's policies, practices, guidelines, and/or manager instructions.

9. Plaintiffs' claims are barred, in whole or in part, because any actions taken by their employer regarding or affecting Plaintiffs were based upon legitimate, non-discriminatory, non-retaliatory, and non-pretextual business reasons that were in no way related to Plaintiffs' race and/or sex.

10. Plaintiffs' claims are barred to the extent McDonald's USA lacked actual or constructive knowledge of the alleged events giving rise to Plaintiffs' claims.

11. Plaintiffs' remedies are barred, in whole or in part, to the extent Plaintiffs engaged in misconduct that, if known to their employer during their employment, would have resulted in their discharge.

12. McDonald's USA is not Plaintiffs' employer and has not engaged in a discriminatory practice or practices with malice or reckless indifference to the federally protected

rights of Plaintiffs, and at all times had reasonable grounds for believing it was not in violation of § 1981 or Title VII.; therefore, Plaintiffs are not entitled to punitive damages.

13. Plaintiffs' claims are barred, in whole or in part, to the extent that Plaintiffs unreasonably failed to take advantage of reasonable and available preventive or corrective opportunities provided by their employer or to otherwise avoid harm.

McDonald's USA reserves the right to assert and rely on such other defenses as may become available or apparent during the course of discovery and to amend its answer to assert such additional defenses.

WHEREFORE, having fully answered the Amended Complaint, and denied any and all unlawful conduct alleged by Plaintiffs in the Amended Complaint, McDonald's USA, LLC hereby requests that the Amended Complaint be dismissed in its entirety with prejudice; that Plaintiffs take nothing by way of the Amended Complaint; that McDonald's USA, LLC be awarded its costs and attorneys' fees incurred herein as appropriate, and that McDonald's USA, LLC be awarded such further relief as the Court deems just and proper.

Dated: May 20, 2015

Respectfully submitted,

McDONALD'S USA, LLC

By: /s/ Elizabeth M. Ebanks

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CERTIFICATE OF SERVICE

I hereby certify that on this 20th day of May, 2015, I filed the foregoing with the Clerk of Court using the CM/ECF system, which will then send notification of such filing to the following:

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